

**CITY OF SHOREVIEW
MINUTES
REGULAR CITY COUNCIL MEETING
September 19, 2016**

CALL TO ORDER

Mayor Martin called the regular meeting of the Shoreview City Council to order at 7:00 p.m. on September 19, 2016.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance.

ROLL CALL

The following members were present: Mayor Martin; Councilmembers Johnson, Quigley, Springhorn and Wickstrom

APPROVAL OF AGENDA

MOTION: by Councilmember Wickstrom, seconded by Councilmember Johnson to approve the September 19, 2016 agenda as submitted.

VOTE: Ayes - 5 Nays - 0

PROCLAMATIONS AND RECOGNITIONS

2016 Green Community Awards

Mr. Tim Pratt, Chair, Environmental Quality Committee (EQC), thanked staff for all their hard work on environmental issues. Five Green Community Awards are being presented:

Michael & Lisa Cartwright Residential solar installation

Mr. Cartwright and science teachers inspired the school district to install solar panels on six schools. This will save the school district over \$1 million over the next 25 years.

Barb Cayemberg Residential solar installation

Panels will pay for themselves in 8.5 years. Has pamphlet and data information for anyone who may be interested.

Paul & Michelle Gardner Rain Garden, Geothermal Installation and Energy Efficiency Upgrades

Put in rain garden that absorbs water from the street and three downspouts off the house. Also installed geothermal heating/cooling system.

Mr. Pratt noted that on September 20, 2016, at the Community Center, there will be a workshop on solar panels for anyone interested.

Blake Huffman for Journey Homes

Geothermal and Energy Efficiency Design
Standards

Expect monthly winter heating bill for this home to be approximately \$20.

Ms. Shelly Myrland, Board Member of Journey Homes, stated that Journey Homes is a non-profit organization started by Blake and Joy Huffman. The mission is to help families affected from domestic violence and veterans with underlying issues obtain affordable housing. The house shown is for a marine with service-related disabilities and a family of 4 young children.

MAPE - Michell Doheny
(MN Association of Professional Employees)

Rain garden installation, pavement removal,
pavement removal, pollinator habitat,
cost-share funded - to prevent water entering
basement.

Mayor Martin thanked Chair Pratt and the entire community on their hard work. This committee has worked hard for positive and important results. The speaker series has been a very successful program.

CITIZEN COMMENTS

Mr. Al Dubiak, 4050 Crestview Lane, stated that the City implemented a 3.5% utility tax two years ago. It was reported that this tax would raise \$800,000 for enhancements. In two years \$1.6 million has been raised. There has been no report on how the money was spent. Secondly, there is a regional pond on open space behind his property. He believes that since water has been pumped into Snail Lake, the entire water table has been raised. The pond is 10 to 15 times its original size. Gramsie Road is closed because it is a flooded.

Mayor Martin stated that the franchise fees from the utility tax are invested in a Community ReInvestment Fund. The projects done with those funds are mainly park projects and Community Center improvement projects. Part of the reason for implementing the franchise fees is because the tall tower fees expired three years ago. The City had been receiving over \$100,000 for 25 years. Also, developer park dedication fees are minimal because the City is almost fully developed. City Manager Schwerm added that the City has an annual Capital Improvement Program (CIP) that is posted online. All projects that have been done and are planned with funds from the Community ReInvestment Fund are identified in the CIP. Examples of projects paid by the Community Reinvestment Fund include: 1) the new trail segment along Lexington Avenue north of County Road I to County Road J; 2) acquisition of residential lot on Highway 96 adjacent to Victoria to assist with the library project, although some funds were reimbursed; 3) new signage for the Shoreview Commons area. In addition, improvements to the Community Center and Shoreview Commons area are planned in the future.

Councilmember Wickstrom suggested an accounting of Community ReInvestment Fund expenditures for the truth in taxation meeting in December.

Mayor Martin stated that this summer almost every lake in Shoreview has experienced its highest water level in history. These are extraordinary conditions. The water that enters the pond near Gramsie Road comes from more than Snail Lake. Lake Owasso, Lake Wabasso, and Grass Lake also overflow into the Snail Lake Basin. Snail Lake has not been augmented for three years. It is a complex issue that the City is working on with the Watershed District and Ramsey County.

Public Works Director Maloney stated that at its last Council meeting, the Council approved a change order to the Gramsie Road contract for \$180,000 to raise a 500-foot segment of the roadway. Raising the road 2 feet will put the road about 9 inches above the water level today. Anything beyond raising the road 2 feet would mean a bridge project at a high cost. Staff does not believe a bridge is necessary. The schedule is undefined because it depends on how fast the water goes down. The preference is to get the work done this year. Emergency measures will be considered for the road to be open at least on a temporary basis if the work cannot be done this year.

COUNCIL COMMENTS

Councilmember Wickstrom:

The Community Solar Gardens workshop will be at the Community Center on Tuesday, September 20, in the Turtle Lake Room at 7:00 p.m.

The Lake Johanna Fire Department will be holding an Open House at the fire station on Lexington and County Road I on October 8, 2106, from 11:00 a.m. to 2:00 p.m. in honor of Fire Prevention Week.

On Friday, September 23, 2016 the final Friday Night Flicks will be held at 7:00 p.m. The movie being shown is *Minions*.

The Farmers' Market hours will be 3:00 to 6:00 p.m. beginning Tuesday, September 27, 2016, as it gets dark earlier. The last Farmers' Market will be Tuesday, October 18, 2016, which will be the Harvest Festival.

The Ramsey County Sheriff's Fright Farm will begin October 7, 2016. It will be on Friday and Saturday nights through October. A Low Scare event will be on Sunday, October 23, 2016, from noon to 4:00 p.m. for young children.

Councilmember Springhorn:

The fundraiser, *Taste of Northeast*, for Northeast Youth and Family Services will be October 6, 2016. Tickets are available at \$30, or \$40 at the door. Tickets can be purchased from Councilmember Springhorn or online at nyfs.org.

Although the existing library will be open a couple more months, the drop box behind the library has been permanently closed and a temporary drop box is available in the front of the library.

Councilmember Johnson:

On November 12, 2016, Mounds View School Foundation will hold the *Rockin' the Schoolhouse* fundraiser at Vadnais Commons. It is a big fundraiser for School District 621 and helps fund students taking the ACT test.

On November 14, 2016 the Lighting Ceremony for the Shoreview Commons will take place.

Residents are encouraged to look at the City's website and Facebook page to find out all the events that are taking place this fall.

Councilmember Quigley:

Cleanup Day will be Saturday, October 8, 2016. City Manager Schwerm added that Cleanup Day will be from 7:00 a.m. to noon, and it is an opportunity to get rid of many items trash haulers do not take, including electronic items. The process is streamlined and is now a set cost per carload. All are encouraged to take advantage of this service.

Mayor Martin:

The annual maintenance of the Tropics Water Park is close to completion. The pool is scheduled to reopen Saturday, September 24, 2016.

CONSENT AGENDA

Councilmember Wickstrom noted a correction to the City Council Meeting Minutes, Item No. 1, for September 6, 2016. On page 6, the spelling of Lyft was corrected. Councilmember Wickstrom noted that Uber serves only the very southern part of Shoreview.

Item No. 11 was pulled for separate consideration.

MOTION: by Councilmember Johnson, seconded by Councilmember Quigley to adopt the Consent Agenda for September 19, 2016, and all relevant resolutions for item Nos. 1 as amended through 12, with the exception of item No. 11:

1. September 6, 2016 City Council Meeting Minutes
2. Receipt of Committee/Commission Minutes:
 - Economic Development Commission, July 19, 2016
 - Economic Development Authority, August 1, 2016
 - Planning Commission, August 23, 2016
 - Bikeways & Trailways, September 1, 2016
3. Monthly Reports:
 - Administration/Community Development
 - Finance
 - Public Works
 - Park and Recreation
4. Verified Claims in the Amount of \$717,064.87
5. Purchases
6. Developer Escrow Reduction
7. Bid Award Sanitary Sewer Improvements - Bucher Lift Station, City Project 15-13

8. Accept Quote - Generator Hook-up at Schifsky Lift Station
9. Authorize Participation in Met Council's I/I Grant Program
10. Accept Donation of \$60 for the Shoreview Community Center
12. Accept Gifts/Donations for the 2016 Slice of Shoreview Days Event and Express Appreciation to Generous Sponsors and Donors

VOTE: **Ayes - 5** **Nays - 0**

Item 11 on the Consent Agenda: Appoint Joseph Floeder and Susie Jackson as Student Representatives to the Shoreview Human Rights Commission for Terms Ending 5-31-2017 and Anish Sethi for the Term Ending 5-31-2018.

Councilmember Springhorn stated when he served on the Human Rights Commission, he found that youth representatives are not just trying to pad their resume but come to meetings, work hard and make positive contributions. All committees and commissions have the ability to appoint youth members, and he encouraged more of them to consider that option.

MOTION: by Councilmember Springhorn, seconded by Councilmember Wickstrom to appoint Joseph Floeder and Susie Jackson as Student Representatives to the Shoreview Human Rights Commission for Terms Ending 5-31-2017 and Anish Sethi for the Term Ending 5-31-2018.

VOTE: **Ayes - 5** **Nays - 0**

PUBLIC HEARING - 2016 ASSESSMENT HEARING - TURTLE LANE/SCHIFSKY NEIGHBORHOOD RECONSTRUCTION, CITY PROJECT 15-01

City Attorney Beck stated that proper notice has been given for the public hearing.

Presentation by Public Works Director Mark Maloney

September 19, 2016 was set for the public assessment hearing for this project that was completed a year ago. Adoption of the assessment roll at this meeting means notices of adoption of the assessment roll will be mailed on September 20, 2016. This begins the 30-day payment period. If there are objections, adoption of the assessment roll would be delayed to the next scheduled Council meeting on October 3, 2016. Notice of adoption and beginning of the 30-day prepayment period would then be on October 4, 2016. Certification of the assessment roll to Ramsey County will be by November 15, 2016.

The project for Turtle Lane consisted of installation of concrete curb and gutter, replacement of asphalt pavement, replacement of water main services, replacement of sanitary sewer services, installation of storm sewer, and replaced or added LED street lights.

The Schifsky Road project included replacement of infrastructure with modern infrastructure.

The total project costs was \$1,892,600. The total amount of special assessments are \$139,900.68, which is 7.5% of the total cost.

Assessments for Both Projects:

Street assessment: \$1,348.84/lot unit - \$194.16 less than feasibility estimate
Maximum storm sewer assessment: \$1,120.00/lot - based on size of lot
Maximum single lot unit assessment: \$2,468.84

The assessments will be spread over a 10-year period. No objections have been received.

Mayor Martin opened the public hearing.

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to close the public hearing at 7:50 p.m.

VOTE: **Ayes - 5** **Nays - 0**

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to approve Resolution No. 16-87 adopting the assessment roll for Turtle Lane/Schifsky Road Reconstruction - Project 15-01, with any previously noted revisions, spreading said assessments over 10 years at 3.235 percent interest, with said installments to be equal payments.

ROLL CALL: **Ayes: Johnson, Quigley, Springhorn, Wickstrom, Martin**
 Nays: None

AUTHORIZE AGREEMENT FOR PURCHASE OF FINANCIAL MANAGEMENT SOFTWARE

Presentation by Finance Director Fred Espe

The Capital Improvement Plan (CIP) for 2016 includes funding to replace the City's financial software. The City's current financial software is 26 years old and no longer vendor-supported. The new system will allow for integration of programs and improve productivity of City staff.

Requests for Proposal (RFPs) were solicited in March 2016 and due May 11, 2016. Two qualified vendors were selected: BS&A and New World. On-site vendor software demonstrations were conducted in July 2016. In August 2016, there was a site visit for each software package--BS&A in New Brighton and New World in Blaine--as well as telephone interviews with vendor clients.

Staff found a number of features available with the BS&A software that is not available with New World. These include:

- Bank checking account reconciliation
- SAC and surcharge reporting
- Accounts payable and rental licensing programs

- Comprehensive cash receipting system
- Accommodation of City's current email system

BS&A also has a strong commitment to customer service and technical support. Support is statistically documented and recorded. Response to a service call is within 15 minutes. BS&A will refund 100% of price of the software within the first year if the City is not satisfied. Over the past 25 years BS&A has had a 99% customer retention rate. Custom programming with BS&A is preserved from version to version.

New Brighton recently transitioned from the same system Shoreview has to BS&A. The feedback received indicated that implementation was well planned and organized. Customer service and training was outstanding.

The cost for BS&A software is \$394,440. The CIP provides funding of \$350,000 to cover this project. The remaining cost of \$45,800 would be funded by utility funds. Within the agreement with BS&A, increases are capped at the level of the Consumer Price Index. New World has increased costs annually at 5%. The City's 2017 operating budget includes annual maintenance costs. Staff recommends purchase of the BS&A Software.

Councilmember Johnson stated that given the significant investment for the City, she asked if BS&A is the best option for the future with all that is happening with software. Mr. Espe responded that staff began research on this purchase two years ago. BS&A is privately owned with a policy not to expand without being able to accommodate service needs of clientele. New World was recently purchased by Tyler. It is unclear whether both the Tyler and New World software will continue to be serviced. Staff is very confident with the site visit and information received from BS&A as well as their customer base.

Councilmember Wickstrom asked if customization is included in the annual cost. Mr. Espe stated that some customization was included in the base bid. A lot of customization can be done internally. BS&A includes all customization in each upgrade.

Mayor Martin expressed her appreciation for the amount of time and research done by staff on this project.

MOTION: by Councilmember Quigley, seconded by Councilmember Springhorn to approve and authorize an agreement with BS&A Software for the purchase of a Financial Management Software system in the amount of \$394,440.

ROLL CALL: **Ayes: Quigley, Springhorn, Wickstrom, Johnson, Martin**
 Nays: None

Mayor Martin asked the timeline for this project. Mr. Espe answered about 1.5 years to fully implement the programs for both the Finance Department and Community Development.

PLANNED UNIT DEVELOPMENT CONCEPT REVIEW, 4188 LEXINGTON AVENUE, WOOLPERT, INC.

Presentation by City Planner Kathleen Castle

Woolpert, on behalf of Waterwalk, has submitted a Planned Unit Development (PUD) Concept Stage Review to amend an approved PUD at the property 4188 Lexington Avenue. The proposal is to develop the vacant portion of the property with an extended stay hotel/apartment complex.

In 1987, a PUD was approved for this 15-acre parcel for development of three single-story office buildings that would each have approximately 50,000 square feet. The underlying zoning is Business Park. Site improvements include a private driveway, storm water infrastructure and grading. One office building was developed on the south side of the property. Conservation easements that were in effect on the undeveloped land have been extinguished. The property is platted CIC (Common Interest Community), which would have to be amended for this development concept and land use.

The Concept PUD is to develop the site adjacent to Lexington Avenue with a corporate lodging, extended stay hotel/apartment facility. The proposal is for two four-story buildings with a total of 153 units. The building height would be 55 feet. The maximum building height is 35 feet. Height may be increased if for each foot of height added an additional foot of setback is also added. A building of 35 feet would require a 75-foot setback from a residential property; a height of 55 feet would require a 95-foot setback. The existing driveway would be used with access off Lexington. A minimum parking setback would be required of 20 feet from the street right-of-way and residential land uses. Parking stalls would be required at a rate of one per unit and one stall per employee. Parking is shown surrounding the buildings with a total of 162 stalls.

The property is within Policy Development Area 11, Shoreview Business Campus, in the Comprehensive Plan. The land use is designated as O, Office and RM, Medium Density Residential. Hotels are not a permitted use in the O and RM zoning districts as they are classified as commercial. A Comprehensive Plan Amendment would be necessary for this proposal to move forward. The property is surrounded with residential land uses with low density residential to the north, medium density residential to the east and high density residential to the south. To the west is Arden Hills where there are some business uses. Generally, staff discourages commercial use in residential areas. Although Lexington is an arterial roadway, the property is not on a corner. Ramsey County will require the traffic study done in 1984 to be updated.

The property is within the Rice Creek Watershed District (RCWD). A permit from RCWD is required. City Code limits impervious surface to 70% of the lot area. This can be increased to 75% with the use of BMPs (Best Management Practices). A deviation through the PUD for lot coverage is not permitted.

Property owners within 350 feet were notified of the proposal. A number of comments were received expressing concerns about height, noise, glare, crime, property values, storm water, loss of privacy, loss of undeveloped views.

The Planning Commission reviewed and discussed the following in regard to this proposal:

- Traffic
- Lighting
- Operation/management
- Building height
- Intensity of use
- Compatibility with residential land uses
- Ground water
- Integration with development of the remaining vacant property.

Mayor Martin asked if the setbacks take into consideration the additional height requirement of 95 feet. Ms. Castle stated that the setbacks are at 75 feet. Councilmember Wickstrom referred to the setback line that is only at 55 feet. Ms. Castle stated that line was shown as the setback line on the original PUD. Weston Woods was developed after that PUD approval. Councilmember Wickstrom stated that it does not appear that the additional setback for height is taken into account.

Councilmember Johnson asked for clarification on the conservation easement. Ms. Castle explained that the property owner enacted a conservation easement on the eastern portion of the property in 1993 to the Minnesota Forestry Association and in 1996, an additional conservation easement over the northern portion. In 2009, the property owner extinguished the conservation easement with the Minnesota Forestry Association.

Councilmember Quigley stated that this proposal would need a Comprehensive Plan Amendment as well as a PUD amendment. He has no general concern about a change in use, but the setback issues must be resolved. That will determine landscaping. The building height is a primary concern because this site is at 1000 feet--one of the highest sites in Ramsey County. Building C is a concern and what happens with that. Lexington is an arterial road with heavy traffic. The business model is aggressive, but the website only shows one and says 11 will be developed soon. He is concerned as to whether the business plan is viable. If there are extended stays with families, recreation opportunities will be needed. Noise and light are also a concern. He is not making a recommendation, but he will be looking for these issues to be addressed by the developer.

Planning Commissioner Thompson emphasized that over 50 comments were received. The residents from Weston Woods are very well organized in presenting their concerns. Snow removal is another concern. One resident stated that she stayed at such a facility. It is very much like a hotel. It needs to be decided whether this use is truly a benefit to Shoreview. The applicant stated at the Planning Commission meeting that the average stay is 77 days; the average stay in a hotel is three nights.

Councilmember Wickstrom stated that her first concern is that the Comprehensive Plan does not allow commercial use on this property, and she does not believe this is a good site for commercial use. The old Deluxe MSB Building across from Green Mill on Gramsie would be a good location to consider this type of use. There are 15 to 20 feet of difference in height between the residential homes and this site. A four-story building would in effect be a six-story building next to these houses. That would be incompatible. With the required setbacks, two buildings would not fit.

Councilmember Springhorn echoed Councilmember Wickstrom's comments. He visited the site and tried to visualize this proposal fitting in. It is difficult to imagine it, and he does not believe this is a good site for the use.

Councilmember Johnson agreed with previous comments. She noted that there is an extended stay facility on Old Highway 8 and Highway 96. It is difficult to believe people stay 72 days. The one on Old Highway 8 appears to be a hotel. Even with the businesses in this area--Boston Scientific, Deluxe, Land O'Lakes--she has not heard of any request for this type of facility for temporary employees that would come in for a few months at a time. There is also the perfect location by Green Mill that was mentioned by Councilmember Wickstrom.

Mayor Martin emphasized that the City did not solicit this proposal or ask for it or even encouraged it. Any property owner can request anything of government. It is the analysis of the Planning Commission and City Council to decide if the proposal is in keeping with Code. She agreed with the other Councilmembers that Commercial use is a concern adjacent to the residential property. The height difference to the property to the south exacerbates the issue. The building is too high for the site given the surrounding land uses. She also has a concern about water. It is not surface water that causes problems; it is ground water coming from below ground. The retaining wall was necessary when Weston Woods and the office building were built. There are a number of unique issues. This is not to say this proposal is not welcome in the community, but she has concerns about the proposed site.

Ms. Mary Beth Conley, 1090 West Cliff Curve, stated that she does place executives in these types of places for two and three days. Execu Stay places business employees who need this type of lodging in furnished apartments.

Mayor Martin stated that all comments will be passed on to the developer.

WEED ABATEMENT - 597 HIGHWAY 96

Presentation by City Planner Kathleen Castle

Staff is requesting an order for vegetative growth abatement at 597 Highway 96. Section 211.060 of City Code requires that the exterior of all properties be kept free of noxious weeds. Grass and lawn areas cannot exceed 9 inches in height. Section 210.020 is the City's Abatement Procedure. The property owner is notified in writing of the hearing process and given time to correct the conditions. In this instance, the property owner and the contract for deed holder were notified. The City has posted notice twice this year for tall grass and weeds.

The property has been mowed. However, staff requests authorization for abatement due to the site history and having to post notice twice. Abatement authorization will allow nuisance conditions to be abated in the future. The property will be monitored through 2016 and 2017 growing seasons and abatement ordered if needed.

Mayor Martin opened the meeting to any comments or questions from the property owner or anyone who would wish to speak to this issue.

MOTION: by Councilmember Wickstrom, seconded by Councilmember Springhorn to adopt Resolution No. 16-89, pursuant to Section 210.020(A), approving the abatement of vegetative growth for the property located at 597 Highway 96 and to charge the property owner/contract for deed holder the cost of the abatement, including administrative costs. The City Manager is authorized to monitor the property throughout the 2016 and 2017 growing seasons and to abate any vegetative growth on the property that does not comply with City regulations.

ROLL CALL: **Ayes: Springhorn, Wickstrom, Johnson, Quigley, Martin**
 Nays: None

ADJOURNMENT

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to adjourn the meeting at 8:50 p.m.

VOTE: **Ayes - 5** **Nays - 0**

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE 3rd DAY OF OCTOBER 2016.

Terry Schwerm
City Manager